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PRESIDENT OF THE UNITED STATES.

CORRECTING CERTAIN LANGUAGE IN PROCLAMATION No. 2247 OF AUGUST 25, 1937, PRESCRIBING PANAMA CANAL TOLL RATES

By the President of the United States of America

A PROCLAMATION

WHEREAS the phrase "when carrying passengers and cargo" contained in paragraph numbered 1 in Proclamation No. 2247¹ of August 25, 1937, prescribing Panama Canal toll rates was intended to read "when carrying passengers or cargo"; and

WHEREAS it is desired to correct the said phrase so that it shall read as intended:

NOW, THEREFORE, I, FRANKLIN D. ROOSEVELT, President of the United States of America, acting under and by virtue of the authority vested in me by section 411 of title 2 of the Canal Zone Code, approved June 19, 1934, do hereby amend the aforesaid paragraph numbered 1 of Proclamation No. 2247 of August 25, 1937, to read as follows:

"1. On merchant vessels, yachts, army and navy transports, colliers, hospital ships, and supply ships, when carrying passengers or cargo, ninety (90) cents per net-vessel ton of 100 cubic feet each of actual earning capacity—that is, the net tonnage determined in accordance with the Rules for the Measurement of Vessels for the Panama Canal."

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this 31st day of August in the year of our Lord nineteen hundred and [SEAL] thirty-seven, and of the Independence of the United States of America the one hundred and sixty-second.

By the President,

FRANKLIN D. ROOSEVELT

CORDELL HULL,
Secretary of State.

[No. 2249]

[F. R. Doc. 37-2670; Filed, September 1, 1937; 12:25 p. m.]

WAR DEPARTMENT.

[Changes No. 75]

WAR DEPARTMENT REGULATIONS

RELIEF OF UNEMPLOYMENT, CIVILIAN CONSERVATION CORPS

AUGUST 24, 1937.

War Department Regulations—Relief of Unemployment, Civilian Conservation Corps, May 15, 1935, is changed as follows:

¹ 2 F. R. 2061 (DI).

Paragraph 18, as changed by Changes Nos. 14, 17, 20, 24, 27, 42, 48, and 65, is rescinded and the following substituted therefor:

18. *Eligibility for selection and reselection.*—*a. Function of the selection agencies.*—Selection and reselection of junior enrollees is the responsibility of the selecting agencies designated by the Department of Labor. Selection and reselection of veterans is the responsibility of the Veterans' Administration. Junior and veteran applicants are selected and certified to the War Department under definite policies as to eligibility approved by the Director, Civilian Conservation Corps, and duly announced to their respective field agents by the Federal agencies concerned. Men so selected and certified will present properly executed application forms duly signed by the authorized selecting agents of the Department of Labor or the Veterans' Administration, as the case may be. The War Department does not participate in selection or reselection.

b. Civil law enforcement officers.—Civil law enforcement officers such as justices of the peace, sheriffs, game wardens, and their deputies are ineligible for selection.

c. Reselection.—(1) An honorably discharged junior is ineligible for reselection for a period of six months following the date of his discharge. If then otherwise qualified he becomes eligible for reselection if his previous service does not exceed eighteen months: *Provided, however,* That a junior who was honorably discharged as a result of physical disability not the result of his own misconduct, and who has since overcome such disability, is eligible for reselection at any subsequent enrollment period if his previous service does not exceed eighteen months. All expenses for transportation prior to acceptance for enrollment will be borne by the applicant.

(2) An honorably discharged veteran will be ineligible for reselection for a period of six months following the date of his discharge. He will then become eligible for reselection regardless of his age, marital status, or the length of his former service in the Civilian Conservation Corps: *Provided, however,* That a veteran who was honorably discharged as a result of physical disability not the result of his own misconduct, and who has since overcome such disability, has been physically examined by the War Department, and has been certified by the War Department to the proper Regional Manager, Veterans' Administration, as physically eligible for reselection, may be reselected at any subsequent enrollment period. All expenses for transportation prior to acceptance for enrollment will be borne by the veteran.

(3) A member administratively or dishonorably discharged from the Civilian Conservation Corps is thereafter ineligible for reselection: *Provided, however,* That a former enrollee, the type of whose discharge is changed by the corps area commander under the authority given in paragraph 38g from administrative or dishonorable to honorable, is eligible for reselection at any enrollment period, if he be otherwise legally qualified. Such a man may have been offered reinstatement under the terms of paragraphs 29 and 38g by the corps area commander, but his refusal to accept reinstatement when offered will not act as a bar to the reselection when contemplated.

(4) A junior who has been discharged from the Civilian Conservation Corps because of marriage will not be eligible for reselection thereafter under any classification. See paragraph 26h.

(A. G. 324.5 (8-13-37).)

19. Eligibility for enrollment and reenrollment.

c. Within the limits of the numbers authorized to be enrolled, except as provided in d below, enrolling officers have no option in the matter of acceptance of certified selectees when the following



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qualifications are met. To qualify for enrollment, an applicant must be—

- (1) Selected and certified by one of the designated selecting agencies. See paragraph 18.
- (2) Physically qualified for ordinary labor and free from active disease. See Appendix II.

d. Selectees certified by a designated selecting agency and found physically qualified will be enrolled except—

- (1) Selectees who have been previously dishonorably or administratively discharged; and
- (2) Persons under conviction for crime and serving sentence therefor (which is construed as including convicts paroled from penitentiaries). Selectees falling in either of the two excepted classifications cited above will be refused enrollment or, if enrolled before their ineligibility is discovered, will be forthwith discharged. In all other cases of apparent falsification of qualifications for selection, the provisions of paragraph 23b, will apply. Discharge under the provisions of paragraph 23b should be the exception rather than the rule.

e. To qualify for reenrollment a present member of the Civilian Conservation Corps must be—

- (1) Physically qualified for ordinary labor and free from active disease.
- (2) Honorably discharged from the immediately preceding period of service.
- (3) Considered worthy of reenrollment. See paragraph 26c.
- (4) Unmarried, if a junior, unless exempted as one of five excepted men per company.
- (5) Under 24 years of age, if a junior (i. e., must not have passed his 24th birthday), unless exempted as one of five excepted men per company.
- (6) If a junior, able to complete a six months' enrollment period without exceeding a total service of two years (i. e., must

not have served previously more than 18 months), unless exempted as one of five excepted men per company.

(A. G. 324.5 (8-13-37).)

By order of the Secretary of War:

[SEAL]

MALIN CRAIG,
Chief of Staff.

Official:

E. T. CONLEY,
Major General,
The Adjutant General.

[F. R. Doc. 37-2668; Filed, September 1, 1937; 9:46 a. m.]

SECURITIES AND EXCHANGE COMMISSION.

PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

AMENDMENTS TO RULES¹

Rule 9C-3 (9) amended by adding paragraph (E), exempting from provisions of Section 9 (a) acquisitions of securities acquired in reorganization of public utility companies up to limited amounts, provided acquisition of utility assets authorized by state commission.

Acting pursuant to the authority conferred upon it by the Public Utility Holding Company Act of 1935, and particularly Sections 3 (d), 9 (c), and 20 (a) thereof, and finding that amendment of Rule 9C-3 (9) is necessary and appropriate and that such acquisitions of securities by registered holding companies and subsidiary companies thereof as are exempted from the provisions of the Act by said rule, as hereinafter amended, are appropriate, within the limitations therein stated, and are not detrimental to the public interest or that of investors or consumers; and finding further that the following action is necessary and appropriate to carry out the provisions of said Act and not contrary to the purposes thereof, the Securities and Exchange Commission hereby amends said Rule 9C-3 (9), so that the same will read as follows:

RULE 9C-3 (9). *Certain acquisitions of securities exempted.*—

(9) Any such company may acquire any security to which it becomes entitled by virtue of any reorganization (whether effected through a statutory merger or consolidation or by sale of the entire assets of the company or companies undergoing reorganization, or otherwise, and including a recapitalization or reincorporation) of one or more other companies, whether or not any such other company is the issuer of such security, if any one of the following additional conditions is satisfied:

(A) Immediately prior to such reorganization and upon completion thereof, no company undergoing such reorganization and no issuer of any security so acquired is an associate company of the acquiring company; or

(B) Immediately before such acquisition such acquiring company owns, directly or indirectly, substantially all of the outstanding securities of the company undergoing reorganization and, upon completion thereof, substantially all of the outstanding securities of the company undergoing reorganization, its successor or successors, are owned by the acquiring company; or

(C) such reorganization involves merely the transfer by a single company of substantially all of its assets to a new company having substantially the same capital structure, and does not involve any other substantial change in the rights of existing security holders; or

(D) such reorganization plan has been approved by the Commission under Section 11 (f); or

(E) all of the companies undergoing reorganization are public utility companies which are organized under the laws of the same State and the business of each of which is substantially confined to such State; such reorganization is effected through a statutory merger or consolidation of such companies or through a sale of the entire assets of one or more of such companies to another such company; the securities acquired in such a transaction do not, upon the consummation of such transaction, have a value in excess of \$100,000 or in excess of five per cent of the total assets of the successor company or the reorganized company which continues in business, whichever of said sums is less; and all acquisitions of utility assets involved in such reorganization have been expressly authorized by the State commission of the State in which such companies are organized;

¹ 2 F. R. 1085 (DI).

Provided, however, That the exemption provided by this rule shall not be applicable to the acquisition of any securities if such securities are carried on the books of the acquiring company at a higher valuation, in the aggregate, than the one at which securities surrendered or exchanged for such securities were so carried immediately prior to such acquisition.

Rules as to directors and officers under Section 17 (c) amended to permit registered holding company or subsidiary to have representative of owner of 10 per cent of outstanding voting securities, regardless of such representative's financial connections, under certain circumstances, provided the one-third limitation of Rule 17C-6 is applicable; 17C-7 amended to allow officer or director of registered holding company or subsidiary to occupy similar position in a subsidiary thereof, even though the territory served by such subsidiary thereof does not comply with the requirements of paragraph (b) of the rule.

Acting pursuant to the Public Utility Holding Company Act of 1935, particularly Sections 17 (c) and 20 (a) thereof, and finding that such action will not adversely affect the public interest or the interest of investors or consumers and is appropriate to carry out the provisions of said Act, the Securities and Exchange Commission hereby amends Rules 17C-4, 17C-6, and 17C-7 to read as follows:

RULE 17C-4. Owners of Securities and Their Representatives.—Subject to the provisions of Rule 17C-9, a registered holding company or subsidiary company thereof may have as an officer or director, or both—

(a) Any person who is both the owner of record and the owner of the beneficial interest in 10 per cent or more of the outstanding voting securities of such company, regardless of such person's financial connections; or

(b) Any person who is an executive officer, director, partner, appointee, or representative of a financial institution and who has no financial connections (as defined in Rule 17C-1) other than those permitted by this or any other rule under Section 17 (c), if such financial institution, directly or indirectly owns, controls, or holds with power to vote, more than 50 per cent of the outstanding voting securities of such company; or

(c) Any person expressly designated in writing as his or its representative by any person (other than a financial institution) who is both the owner of record and the owner of the beneficial interest in 10 per cent or more of the outstanding voting securities of such registered holding company or subsidiary, provided that no person designated as a representative of an owner of voting securities pursuant to the provisions of this paragraph (c) shall be eligible as an officer of such registered holding company or subsidiary, if he is also an executive officer of any financial institution; nor shall such person be eligible in the capacity of either officer or director of such registered holding company or subsidiary, if he is an officer or director of any company in any other public utility holding company system or has any financial connections (as defined in Rule 17C-1) except

(1) financial connections permitted by any rule under Section 17 (c); and

(2) financial connections with a national banking association or with an incorporated state bank having powers similar to a national banking association, which financial institution, (A) does not have authority to underwrite or participate in the marketing of securities issued by holding company or public utility companies, and (B) does not own any beneficial interest in any voting security of the registered holding company or subsidiary of which such person is designated as a director or officer or in any voting securities of any associate company thereof;

As long as a company is permitted by this rule to have a person as an officer or director, any subsidiary company thereof may also have such person as an officer or director.

RULE 17C-6. Limitations on Number of Directors and Officers Having Financial Connections.—Notwithstanding any provision of any rule under Section 17 (c), not more than one-third of the directors of any registered holding company or subsidiary company thereof shall at any time after August 26, 1936, be persons who are executive officers, directors, partners, appointees, or representatives of any bank, trust company, investment banker, banking association or banking firm, except that this provision shall not be applicable to any persons who are eligible to such positions pursuant to the provisions of Rules 17C-2, 17C-3, 17C-5, or by virtue of the provisions of paragraphs (a) or (b) of Rule 17C-4.

RULE 17C-7. Institutions Having Specified Lending Capacity, or Located in Territory Served.—Subject to the provisions of Rule 17C-9, a registered holding company or subsidiary company thereof may have as an officer or director, or both, a person who is an executive officer, director, or partner (but not an appointee or representative) of any financial institution other than an investment banker, if such person has no financial connections (as defined in Rule 17C-1) other than those permitted by this or by

any other rule under Section 17 (c); provided that one of the following conditions is satisfied:

(a) such financial institution at the end of the last calendar year did not have authority, under the laws applicable to its operations, to lend to any one borrower on an unsecured basis an amount in excess of \$200,000 or, if there was no such limitation on its lending power, did not have capital and surplus (including partners' balances) in excess of \$2,000,000; or

(b) seventy per cent or more of the gross revenues (on a consolidated basis) which such company and all subsidiary companies thereof, if any, derived from their operations as public utility companies during the last calendar year were derived by such company from its own operations as a public utility company; and the residence of such officer or director and the principal office or a branch of such financial institution are situated in the territory served by such company or within 100 miles of the principal operating office which such company maintains in such territory;

but no such company shall have any such person as an officer if such person is also an executive officer of such financial institution. An officer or director of such company may be an officer or director of any subsidiary company thereof, even though the territory served by such subsidiary company is not so located as to meet the requirements of paragraph (b) of this rule. Any company which is permitted by this rule to have a person as an officer or director during any calendar year may continue to have him as such during the first three months of the next calendar year.

By the Commission.

Effective August 28, 1937.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 37-2673; Filed, September 1, 1937; 12:43 p. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 31st day of August, A. D. 1937.

[File No. 52-1]

IN THE MATTER OF GENESEE VALLEY GAS COMPANY, INC.

[Section 11 (f) of Public Utility Holding Company Act of 1935]

NOTICE OF AND ORDER FOR RECONVENING OF HEARING

Genesee Valley Gas Company, Inc., a subsidiary of a registered holding company, having filed an application, and amendments thereto, pursuant to Section 11 (f) of the Public Utility Holding Company Act of 1935, for approval of its plan of reorganization in proceedings pending in the United States District Court for the Southern District of New York pursuant to Section 77B of the Federal Bankruptcy Act as amended;

A hearing on said amended application having been held on June 28, 1937, said hearing having been continued, and it now appearing that said hearing should be reconvened;

It is ordered, that said hearing be reconvened on September 20, 1937, at ten o'clock in the forenoon of that day in Room 1103, Securities and Exchange Commission, 1778 Pennsylvania Avenue NW., Washington, D. C.; and

Notice of such hearing is hereby given to said party and to any interested State, State commission, State securities commission, municipality, and any other political subdivision of a State, and to any representative of interested consumers or security holders, and any other person whose participation in such proceeding may be in the public interest or for the protection of investors or consumers. It is requested that any person desiring to be heard or to be admitted as a party to such proceeding shall file a notice to that effect with the Commission on or before September 15, 1937.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 37-2674; Filed, September 1, 1937; 12:44 p. m.]

2 F. R. 1163 (DI).

*United States of America—Before the Securities
and Exchange Commission*

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 31st day of August, A. D. 1937.

[File No. 46-30]

**IN THE MATTER OF THE APPLICATION OF COMMONWEALTH
EDISON COMPANY**

[Public Utility Holding Company Act of 1935—Section 10]

**ORDER APPROVING ACQUISITION OF COMMON AND PREFERRED STOCK
OF PUBLIC SERVICE COMPANY OF NORTHERN ILLINOIS**

Commonwealth Edison Company, a public-utility company, having duly filed with this Commission an application and amendments thereto pursuant to Section 10 (a) (1) of the Public Utility Holding Company Act of 1935 for approval of the acquisition by it of all or any part of the outstanding common and outstanding 6% and 7% preferred stock of Public Service Company of Northern Illinois, and a hearing on said application, as amended, having been duly held after appropriate notice,¹ and the record in this matter having been examined, and the Commission having made and filed its findings herein:

It is ordered, That the acquisition by applicant of said securities, in accordance with the terms and conditions and for the purposes represented by said amended application, be, and the same hereby is, approved.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 37-2672; Filed, September 1, 1937; 12:43 p. m.]

*United States of America—Before the Securities
and Exchange Commission*

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 31st day of August, A. D. 1937.

[File No. 46-29]

**IN THE MATTER OF THE APPLICATION OF COMMONWEALTH SUB-
SIDIARY CORPORATION**

[Public Utility Holding Company Act of 1935—Section 10]

**ORDER APPROVING ACQUISITION OF PREFERRED STOCK OF ILLINOIS
NORTHERN UTILITIES COMPANY AND WESTERN UNITED GAS AND
ELECTRIC COMPANY**

Commonwealth Subsidiary Corporation, a subsidiary of Commonwealth Edison Company, having duly filed with this

¹ 2 F. R. 303 (DI).

Commission an application and amendments thereto pursuant to Section 10 (a) (1) of the Public Utility Holding Company Act of 1935 for approval of the acquisition by it of all or any part of the outstanding 6% preferred stock and \$7 preferred stock of Illinois Northern Utilities Company and of the outstanding 6% preferred stock and 6½% preferred stock of Western United Gas and Electric Company, and hearings on said amended application having been duly held after appropriate notice,¹ and the record in this matter having been examined, and the Commission having made and filed its findings herein:

It is ordered, That the acquisition by applicant of said securities in accordance with the terms and conditions and for the purposes represented by said application, as amended, be, and the same hereby is, approved subject to the qualification that before the actual acquisition of any of the shares of preferred stock, the applicant shall file with the Commission suitable papers showing compliance with the terms of The Illinois Securities Law.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 37-2671; Filed, September 1, 1937; 12:43 p. m.]

VETERANS' ADMINISTRATION.

AUTHORITY FOR EXTRA-REGIONAL TRAVEL OF PHYSICIANS

R-6100 (E). When one field station requests another to conduct a physical examination of, or render out-patient treatment to, a claimant or beneficiary residing in the territory of the station making the request, and it is necessary for the station conducting the examination or rendering the out-patient treatment to send a salaried physician to the claimant's or beneficiary's home, the manager of the station conducting the examination or rendering the out-patient treatment may issue necessary travel authority for that purpose, notwithstanding that extra-regional travel may be involved. (See R. & P. 4180) (September 1, 1937.)

(Veterans Regulation No. 6—Series.)

[SEAL]

FRANK T. HINES,

Administrator of Veterans Affairs.

¹ 2 F. R. 304 (DI).